GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:619
ANSWERED ON:26.02.2016
Viability Gap Funding
Reddy Shri Konda Vishweshwar

Will the Minister of FINANCE be pleased to state:

(a) the details of amount disbursed till date by the Government to the solar plant/ projects by way of viability gap funding;
(b) whether the Government plans to introduce viability gap funding for other renewable and alternative energy, including biogas plants; and
(c) if so, the details thereof?

Answer

Minister of State for Finance (SHRI JAYANT SINHA)

(a), (b) & (c): Around Rs.489 crore has been released to Solar Energy Corporation of India (SECI), an implementing agency, under the scheme for setting up of 750 MW of grid connected solar PV power projects under Batch-I of Phase-II of National Solar Mission with Viability Gap Funding.
The guidelines of National Clean Energy Fund (NCEF) provides for viability gap funding up to 40% of the project cost for project schemes relating to innovative methods to adopt to clean energy technology and research and development. This also includes various sources of renewable / alternate energy including bio-fuels and waste.
Power is one of the sectors eligible for VGF under the Scheme for Support to Public Private Partnerships (PPPs) in infrastructure up to 20% of the project cost. The government department or the implementing agency that owns the project may, if it so decides, provide additional grants out of its budget up to further twenty per cent of the total project cost.